

S-E-C-R-E-T

25X1

25X1

-2-

6. Factories that also manufactured machine tools and lathes were located in Anshan, Dairen, Harbin, Fushun, and Tsitsihar.

Industrial Exhibit

7. The following were shown at an industrial exhibit in Mukden: harrows, combines, and plows; oils and other lubricants produced from coal mined at Fushun; rubber items made of natural rubber; glassware and pottery made of the end products of wool and cotton; and asbestos materials. The consumer goods and industrial machinery exhibits were lacking in quantity and quality.

Iron and Steel Production

8. Approximately 150,000 of 600,000 people in Anshan were employed in the city's iron, steel, and machine factories. Six of the nine blast furnaces operated during the Japanese occupation had been repaired and reportedly produced 1.5 million tons of cast iron annually. This production required three eight-hour shifts daily. The Chinese plan to produce three million tons of cast iron annually when the remaining three blast furnaces are made operative. The iron ore reportedly contained 30 percent iron. Coke was transported to the furnaces from Fushun, where annually two million tons of coke are produced. The coking process at Fushun was completed in 16 hours. Blast furnace workers wore blue-tinted goggles and heat-resistant gloves, but safety precautions were crude and publications criticized the high accident rate.

Rolling Mills

9. There were two rolling mills in Anshan, one Russian and one older, KRUPP model. An annual production of one million tons of steel was ascribed to the latter, and the Russian mill reportedly produced annually 50,000 tons of finer types of steel, such as thin plates.

Rolling Stock Factory

10. A rolling-stock factory in Dairen employing 8,000 persons reportedly produced monthly 200 freight cars, 18 passenger cars, and 50 15-ton tank cars. Thirteen half-finished locomotives were seen in the factory. Reportedly 30,000 man hours were required in the production of one locomotive. Most of the machinery was British made. There was one U.S. machine in the factory.

Steel Mills

11. In Anshan there also were factories that produced steel rails, shaped-steel, and seamless steel pipes.

Workers' Salaries

12. Skilled workers in Anshan and Dairen were paid Y 50 a month; section chiefs were paid Y 100 a month. Workers got one free meal a day. In the factories visited, morale appeared to be good.

S-E-C-R-E-T

25X1

25X1

Page Denied